

COMMITTEE ON GOVERNMENT REFORM

TOM DAVIS, CHAIRMAN



MEDIA ADVISORY

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Government Reform Committee to Examine Contract Coordination and Management in Iraq

**What: Government Reform Committee oversight hearing:
“The Complex Task of Coordinating Contracts Amid Chaos: The Challenges of
Rebuilding a Broken Iraq”**

When: MARCH 11, 2004, 2:00 P.M.

Where: ROOM 2154, RAYBURN HOUSE OFFICE BUILDING

Background:

The purpose of this hearing is to learn about the Federal government’s involvement with the planning and management of Iraqi reconstruction and sustainment contracts and how an agency’s acquisition strategy is integrated with the acquisition programs from the other participating government entities.

The Committee is interested in assessing the plans for future acquisition activities when the situation on the ground becomes more stable. In addition, the Committee wants to ensure that taxpayers’ money is being spent effectively and efficiently in this wartime atmosphere.

“Large-scale procurements are complex and difficult to understand in and of themselves,” Chairman Tom Davis said. “Add in the urgency and inherent dangers of contracting in a war zone, and the challenge of acquiring urgently needed goods and services becomes quite daunting. Through this hearing we hope to separate fact from fiction, truth from rhetoric – and, in turn, help make sure we’re coordinating contract processes in Iraq in a way that ensures success and safety.”

Currently, there are many U.S. government agencies working to improve conditions in Iraq. For example, the Department of Defense (including the Army Corps

of Engineers) and the U.S. Agency for International Development are both working to “rebuild” Iraq, and both are working in an extremely challenging environment. There are serious security concerns, and the availability of necessities, such as water and electricity, is sporadic at best. It comes as no surprise that our normal acquisition support and oversight resources are sorely stretched.

The conclusion of major military actions in the U.S.-led coalition’s war to change the regime in Iraq spawned a major effort to rebuild Iraq’s infrastructure and government. Tied to this effort is the enormous task of supplying and sustaining the thousands of people, military and civilians, who are working to accomplish the reconstruction of Iraq. The Emergency Wartime Supplemental Appropriations Act of 2003 and the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan of 2004 provide more than \$20 billion in funding for initiatives and projects for the rebuilding of postwar Iraq. Many federal departments and agencies have awarded or soon will award contracts for the sustainment and reconstruction efforts.

The Coalition Provisional Authority (CPA) has been tasked as the primary authority for the award and administration of Iraq reconstruction contracts. The CPA Program Management Office (PMO) is responsible for selecting and overseeing these projects. The Army Materiel Command and the Army Corps of Engineers are mainly responsible for the sustainment efforts. The U.S. Agency for International Development, Department of Defense, and the Department of Commerce are the primary federal agencies working with the CPA to award and administer contracts for the reconstruction of Iraq and the sustainment of our people on the ground.

In August-September 2003 and February 2004, Chairman Davis led a congressional delegation to Iraq to observe reconstruction efforts. The purpose of these visits was to gain an understanding of the vast network of the U.S-led coalition team and the daunting challenges involved in the reconstruction of Iraq. In October 2003, the Committee held a hearing on coalition efforts to restore Iraq. This hearing continues the Committee’s interest in this area.

The Committee will hear testimony from the following witnesses:

Major General Carl A. Strock, Director of Civil Works, U.S. Army Corps of Engineers, U.S. Department of Defense

General Paul J. Kern, Commanding General, U.S. Army Material Command, U.S. Department of Defense

Major General Wade H. McManus, Jr., Commanding General, U.S. Army Field Support Command, U.S. Department of Defense

Ms. Tina Ballard, Deputy Assistant Secretary of the Army (Policy and Procurement), U.S. Department of Defense

Mr. Lewis Lucke, Deputy Assistant Administrator, U.S. Agency for International Development

Honorable Dov S. Zakheim, Under Secretary of Defense (Comptroller) and Chief Financial Officer, U.S. Department of Defense

Mr. William H. Reed, Director, Defense Contract Audit Agency, U.S. Department of Defense

Rear Admiral David Nash, USN (Ret.), Director, Iraq Program Management Office,
Coalition Provisional Authority

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